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Attorneys for Debtors and Debtors-in-Possession

**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF NEVADA**

In re:	Case Nos. BK-S-06-10725 LBR
USA COMMERCIAL MORTGAGE COMPANY,	Case Nos. BK-S-06-10726 LBR
Debtor.	Case Nos. BK-S-06-10727 LBR
In re:	Case Nos. BK-S-06-10728 LBR
USA CAPITAL REALTY ADVISORS, LLC,	Case Nos. BK-S-06-10729 LBR
Debtor.	Chapter 11
In re:	
USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,	
Debtor.	
In re:	
USA CAPITAL FIRST TRUST DEED FUND, LLC,	
Debtor.	
In re:	Hearing Date: March 15, 2007
USA SECURITIES, LLC,	Hearing Time: 9:30 a.m.
Debtor.	
Affects:	
<input type="checkbox"/> All Debtors	
<input type="checkbox"/> USA Commercial Mortgage Company	
<input type="checkbox"/> USA Securities, LLC	
<input type="checkbox"/> USA Capital Realty Advisors, LLC	
<input type="checkbox"/> USA Capital Diversified Trust Deed Fund, LLC	
<input checked="" type="checkbox"/> USA First Trust Deed Fund, LLC	

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DECLARATION OF SUSAN M. SMITH IN SUPPORT OF:
(1) FIFTH OMNIBUS OBJECTION OF THE OFFICIAL COMMITTEE OF EQUITY SECURITY
HOLDERS OF USA CAPITAL FIRST TRUST DEED FUND, LLC – MISFILED CLAIMS; (2) SIXTH
OMNIBUS OBJECTION OF THE OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS OF USA
CAPITAL FIRST TRUST DEED FUND, LLC – CLAIMS BASED ON PREPETITION EQUITY SECURITY
INTERESTS OF USA CAPITAL FIRST TRUST DEED FUND, LLC; (3) SEVENTH OMNIBUS
OBJECTION OF THE OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS OF USA CAPITAL
FIRST TRUST DEED FUND, LLC – AMOUNT OF PROOFS OF INTEREST; AND (4) EIGHTH OMNIBUS
OBJECTION OF THE OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS OF USA CAPITAL
FIRST TRUST DEED FUND, LLC – PROOFS OF CLAIM AND PROOFS OF INTEREST FILED BY
MEMBERS OF USA CAPITAL FIRST TRUST DEED FUND, LLC WHO FILED BOTH PROOFS OF
CLAIM AND PROOFS OF INTEREST

I, Susan M. Smith, hereby declare and state as follows:

1. On April 13, 2006 (“Petition Date”), USA Commercial Mortgage Company (“USACM”), USA Capital Realty Advisors, LLC, USA Capital Diversified Trust Deed Fund, LLC (“DTDF”), USA Capital First Trust Deed Fund, LLC (“FTDF”), and USA Securities, LLC (collectively, the “Debtors”) filed petitions seeking relief under Chapter 11 of the Bankruptcy Code. By order entered on June 9, 2006, the Court approved the joint administration of the Debtors’ Chapter 11 cases.

2. Effective as of the Petition Date, Mesirow Financial Interim Management, LLC (“Mesirow”) has been employed as crisis managers to the Debtors, and Thomas J. Allison of Mesirow has served as the Debtors’ Chief Restructuring Officer. I am employed by Mesirow as a Senior Vice President, and I have worked extensively for the Debtors under Mr. Allison’s direction since Mesirow’s engagement.

3. I currently have custody of the Debtors’ books and records, including all records related to membership interests in FTDF.

4. I have reviewed the following documents: (1) Fifth Omnibus Objection of the Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC – Misfiled Claims (“Fifth Claims Objection”); (2) Sixth Omnibus Objection of the Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC – Claims Based on Prepetition Equity Security Interests of USA Capital First Trust Deed Fund, LLC (“Sixth Claims Objection”); (3) Seventh Omnibus Objection of the Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC – Amount of Proofs of Interest (“Seventh

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Claims Objection”); and (4) Eighth Omnibus Objection of the Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC – Proofs of Claim and Proofs of Interest Filed by Members of USA Capital First Trust Deed Fund, LLC Who Filed Both Proofs of Claim and Proofs of Interest (“Eighth Claims Objection”).

5. Under my direction the names of the “Claimants” listed on Exhibit “1” to the Fifth Claims Objection have been reviewed in conjunction with FTDF’s books and records. I have determined that none of the Claimants listed on Exhibit “1” to the Fifth Claims Objection hold membership interests in or are creditors of FTDF. I have further determined that the Claimants who filed FTDF Proofs of Claim Numbers 140, 141, 142, 143, 144, 145, and 149 are direct lenders in loans serviced by USACM. The claimants who filed FTDF Proofs of Claim Numbers 146 and 147 are also direct lenders in loans serviced by USACM but these claimants filed the same claims against all the Debtors including USACM.

6. Under my direction the names of the “Claimants” listed on Exhibit “1” to the Sixth Claims Objection have been reviewed in conjunction with FTDF’s books and records. Based on that comparison, I have determined that the amount of the Claimants’ equity interests in FTDF is the amount listed on Exhibit “1” to the Sixth Claims Objection under the column titled “Amount of Equity Interest Per Debtors’ Records.” I have further determined that, except for Geraldine M. Price who is listed on FTDF’s Schedule F as being owed \$225 for a pre-petition outstanding check that was voided, none of the Claimants listed on Exhibit “1” to the Sixth Claims Objection are creditors of FTDF. Finally, I have determined that FTDF Proofs of Claim Numbers 39, 127, 128, and 129 are duplicative of other claims filed against FTDF.

7. Under my direction the names of the “Claimants” and/or Equity Interest Holders listed on Exhibit “1” to the Seventh Claims Objection have been reviewed in conjunction with FTDF’s books and records. Based on that comparison, I have determined that the amount of the Claimants’ and/or Equity Interest Holders’ equity interests in FTDF is the amount listed on Exhibit “1” to the Seventh Claims Objection under the column titled “Amount of Equity Interest Per Debtors’ Records.” I have further determined that, except for Rosalie Allen Morgan who is listed on FTDF’s Schedule F as being owed \$790.07 for a pre-petition outstanding check that was

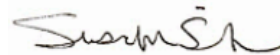
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voided, none of the Claimants and/or Equity Security Holders listed on Exhibit "1" to the Seventh Claims Objection are creditors of FTDF. In addition, I have determined that FTDF Proofs of Interest Numbers 20 and 62, and FTDF Proof of Claim Number 20 are duplicates of other claims or proofs of interest filed against FTDF. Finally, I have determined that the Loughlin Family Trust (FTDF Proof of Interest No. 75) does not hold a membership interest in FTDF but is a direct lender in loans serviced by USACM.

8. Under my direction the names of the "Claimants" and/or Equity Interest Holders listed on Exhibit "1" to the Eighth Claims Objection have been reviewed in conjunction with FTDF's books and records. Based on that comparison, I have determined that the amount of the Claimants' and/or Equity Interest Holders' interests in FTDF is the amount listed on Exhibit "1" to the Eighth Claims Objection under the column titled "Amount of Equity Interest Per Debtors' Records." I have further determined that, except for Bill McHugh who is listed on FTDF's Schedule F as being owed \$225 for a pre-petition outstanding check that was voided and John E. and Sandra L. Brown who are each listed on FTDF's Schedule as being owed \$91.67 each for pre-petition outstanding checks that were voided, none of the Claimants listed on Exhibit "1" to the Eighth Claims Objection are creditors of FTDF. Finally, I have determined that each of the claims listed on Exhibit "1" to the Eighth Claims Objection is duplicative of a proof of interest already filed against FTDF.

9. I declare, under penalty of perjury, that the foregoing statements are true and correct to the best of my knowledge and belief.

DATED this 8th day of March, 2007.



Susan M. Smith